

**Remarks
FCC Commissioner Michael J. Copps
Columbia Law School Forum on Media Ownership
January 16, 2003**

EXHIBIT B

To

**Reply Comments of the National Association
of Black Owned Broadcasters, Inc. and the
Rainbow/PUSH Coalition, Inc., in
MB Docket No. 02-277, MM Docket No. 01-235,
MM Docket No. 01-317, and MM Docket No. 00-244**

February 3, 2003

REMARKS
FCC COMMISSIONER MICHAEL J. COPPS
COLUMBIA LAW SCHOOL FORUM ON MEDIA OWNERSHIP
JANUARY 16, 2003

Good morning. Welcome. Thank you Kernochan Center for Law, Media and the Arts and everyone else involved in putting this Forum together. And thank you all for coming to participate in what may well be the most important meeting taking place anywhere in America today. I don't say that lightly. Certainly no issue before the Federal Communications Commission is so important as the decision on whether to eliminate or significantly change our media concentration protections. At stake is how this industry is going to look in the next generation and beyond. At stake are core values of localism, diversity, competition and maintaining the multiplicity of voices and choices that undergird our precious marketplace of ideas and that sustain American democracy. And at stake is the quality and type of the entertainment available to all of us. So this is important -- really important -- work that you are doing today.

I am frankly concerned, as most of you already know, about consolidation in the media, and particularly concerned that we are on the verge of dramatically altering our nation's media landscape without the kind of debate and analysis that these issues so clearly merit.

Why am I concerned? I don't believe that we have the foggiest idea right now about the potential consequences of our actions. We have a model to look at for what eliminating concentration protections might do to the media -- the radio industry. Many believe that the elimination of radio consolidation rules created real problems. We will hear more about this from today's panels. Undoubtedly some efficiencies were created that allowed broadcast media companies to operate more profitably. These efficiencies may even have kept some stations in business. But the consolidation went far beyond what anyone expected. Conglomerates now own dozens, even hundreds -- and, in one case, more than a thousand -- stations all across the country. More and more programming originates hundreds of miles away from listeners and their communities. And there are 34 percent fewer radio station owners than there were before safeguards were eliminated. The majority of markets today are dominated by oligopoly. And all this in only a few years!

Media watchers like the Media Access Project, Consumers Union, and Professor Robert McChesney argue that this concentration has led to far less coverage of news and public interest programming. The Future of Music Coalition in its multi-year study finds a homogenization of music that gets air play and that radio serves now more to advertise the products of vertically integrated conglomerates than to entertain Americans with the best and most original programming.

Despite this history, the Commission will vote this spring on whether to visit upon the rest of broadcast media that which has already been visited upon radio -- and perhaps much, much more.

Before we can make decisions about eliminating or substantially changing the protections that remain for television, cable, and newspapers, we need to understand the current media landscape and the implications of eliminating concentration protections. I brought along with me this morning a few charts that I think are very interesting. We compiled them with information that has come into the Commission during our consideration of the ownership issues and they provide, I think, some potentially valuable points of reference as we begin to search for answers. Come up and take a look at them while you're here, because we need your help in analyzing precisely what they mean.

- *Chart One:* The fact that this one is so hard to see from the back of the room shows just how much is owned by a few companies. Five companies control vast numbers of TV and radio stations, cable networks, newspapers, magazines, book publishers, music, concert promoters, the top web sites.
- *Chart Two:* Some people argue that new forms of media and new technologies like cable and the Internet will protect us from consolidation. But who is protecting *them*? This chart shows that 90 percent of the top 50 cable channels are controlled by the same corporations that own the TV networks and the cable providers. Only 5 channels are not owned by these companies. Once cable was the new kid on the block with independent programming. That role is now in question.
- *Chart Three:* And the Internet is showing signs of concentration as well. Nielsen rated the top twenty news web sites. This chart shows that the owners of these sites look familiar. Most of these sites are controlled by the same companies that we get our TV and newspaper-based news from. Is the Internet really giving us new voices, or just recycling existing ones? Do New Yorkers really read the LA Times in great numbers on the Internet, or do they just look at MSNBC in another form?

This information does not provide us with answers or solutions, nor do I offer it in that vein. But it sure raises a lot of questions. In fact, the more information that comes into the FCC, the more convinced I am that not only have we not provided many answers; we're just realizing how many more questions there are that haven't been teed up yet. I wager that today you will raise dozens more.

Here are just a few questions the studies don't answer:

- We're being told now not to worry, we are not going to scrap all these rules. Maybe some, but not all. But where is the analysis of, say, what happens if we lift the television audience cap 20 or 30 or 50% instead of scrapping it? Shouldn't we know that before leaping?

- What is the likely *prospective* effect on localism, diversity, and independence if we eliminate this and other protections, especially given our history with radio consolidation?
- How much news and public affairs programming was broadcast in the years immediately before and after elimination of FCC radio concentration rules?
- What effects have recent media mergers, radio consolidation, and TV duopolies had on the personnel and resources devoted to news, public affairs, and public service programming, and on the output of such programming? Will eliminating our rules result in a crisis in these areas?
- Do newspapers and co-owned broadcast stations carry similar viewpoints more frequently than independent newspapers and broadcast stations? The one study we have on this has been called into serious question.
- How do consolidation and co-ownership affect the media's focus on issues important to minorities and to the objective of diversity?
- How about the impact of consolidation on advertising? Are mom and pop stores going to be able to afford local ads in a consolidated media environment?
- The Commission got rid of the financial and syndication rules years ago because we had horizontal protections. Now we're contemplating scrapping or loosening the horizontal safeguards. What will be the effect of this? I suspect the effect is hugely significant.

Today we can try to address these questions. We need answers to them before I, for one, can make an informed decision. We need a diversity of input into the Commission on these issues that goes beyond anything we've ever had before. We need to hear from stakeholders of every stripe – and, when we're dealing with the media, which is so central to our lives and our democracy, every American is a stakeholder. One thing's for sure – each of us is going to be living with the results of these decisions for a long time.

While the participation of business representatives is essential, so is the input of consumers, labor, educational and religious, minority organizations, and Americans who have never heard of the FCC. We can pretend that these folks read the *Federal Register* and can afford the lawyers to participate fully in our inside-the-beltway decision-making. But we'd be kidding ourselves. This decision is too important to make in a business-as-usual way. We need America's buy-in, and we need many more people's help answering these questions I just mentioned, and many others. That is why I have put so much emphasis on outreach to those I call non-traditional stakeholders who have traditionally lacked a voice at the FCC. That is why I've been pushing so hard for hearings.

I genuinely appreciate the Chairman's decision to hold an official Commission public hearing in Richmond next month. It's a good – and absolutely necessary – first step. But, I am still pushing for the Commission to get even further outside the Beltway, to find out first-hand what has been happening in markets of various sizes and configurations over the past 10, 15, 20 years, and what might happen in the future if we take some of the steps being considered. I intend to do such hearings around the nation.

It looks like New York made the wise decision that it would not wait for an FCC hearing. It decided to make its voice heard. So I'm enormously pleased to be here today. But it shouldn't fall exclusively to private organizations to rally the public on these matters. That's just not right. It's the FCC's responsibility – it is our public interest *duty* – to reach out and tell them and then to solicit and listen to their input.

The day before yesterday, all five FCC Commissioners testified before the Commerce Committee of the United States Senate. My friends, I was enormously encouraged by what I heard there. While we still have a lot of work to do, anyone who thought the Commission would be able to change these rules because Congress didn't care has probably had to think again, given the outpouring of concern about the dangers of consolidation that I heard from Senators on both sides of the aisle at that hearing. I am 100% convinced that Congressional concern will grow because of events like this one today.

So there is already some positive effect from our efforts. But we still have a long, long ways to go. When you leave here, go back to your homes and talk and write about this. Get your local media involved. Insist that these issues be covered. Help make this the national dialogue the issues merit, and the national debate every American needs to hear. There's no more important work for you to be doing.

Godspeed and thank you very much.